

# Party Lines Broken as 2 Reservations Are Adopted

Seventeen Democrats Desert Hitchcock and Most Mild Group Bolt Lodge on Latter Proposition

Article X Change Put Up to Wilson

Declaration on Shantung Is Adopted, 48 to 21, After Mention of China and Japan Is Cut Out

WASHINGTON, March 4.—In an effort to obtain ratification of the peace treaty party lines were broken completely in the Senate to-day while that body was adopting two additional reservations to the pact.

At the same time a final proposal for a compromise on a reservation to Article X, the principal stumbling block in the way of ratification, was submitted to President Wilson by the Democratic leaders of the Senate after it had been sent to them by Senator Lodge. The President is now considering the proposed compromise, and upon his decision will depend the final stand to be taken by Senate Democrats on the question of ratification. Leaders of both the Democratic and Republican forces, however, to-night held little hope for ratification, in spite of the day's developments.

During a heated partisan debate Senator Lodge declared that "the treaty is falling by the wayside." Senator Hitchcock and other Administration Senators agreed with him.

**Break in Party Lines**

The break in the party lines came after the Senate had readopted the original Lodge reservation on Shantung, amended so as to eliminate any mention of China or Japan. The vote on the Shantung reservation was 48 to 21, with ten Democratic Senators voting for it.

The reservation as adopted reads: "The United States withholds its assent to Articles 156, 157 and 158 (relating to Shantung), and reserves full liberty of action with respect to any controversy which may arise under said articles."

When the reservations placing the American representatives in the league council and assembly and on the various bureaus and commissions created by the treaty under control of Congress were adopted, the Democratic modification agreed upon by the bipartisan conference.

Senator Hitchcock, leader of the Administration forces, immediately opposed the Democratic reservation, and Leroy, of Wisconsin, declared that the substitute was written by Senator Walsh, Democrat, of Montana, in the conference by Senator Hitchcock.

Senator Lodge then announced that since the Democrats had shown that they were not going to support the reservation, he had no alternative but to propose any more modifications, except two important ones.

**Bolt Lodge Leadership**

Most of the "mild reservationists" on the Republican side then bolted the Lodge leadership. They declared that they intended to offer further modifications, and that they would support the substitute. The substitute was adopted in place of the original Lodge reservation by a vote of 37 to 32. It was finally adopted by a vote of 55 to 14.

The compromise proposal on Article X was submitted to the President at the suggestion of the "mild reservationists." After they had conferred with Senator Lodge, the first of the week, Senator Lodge called in Senator Watson, of Indiana, yesterday and requested him to submit the proposal to the Democratic conference and see whether they would support it. He proposed compromise reads as follows:

"The United States assumes no obligation to preserve by its military or naval forces, the economic boycott, or commercial means, or financial or political independence of any other country under the provisions of Article X, or to employ the military or naval forces of the United States under any other article of the treaty for any purpose, unless in any particular case the Congress, which, under the Constitution, has the sole power to declare war, shall, by act or joint resolution, so provide."

The compromise proposal was taken by Senator Watson to Senator Stinson, Democrat, of North Carolina, who submitted it to Senator Hitchcock. Senator Hitchcock insisted that nothing be done until it was learned whether the President would accept it.

**Compromise Put Up to Wilson**

Senator Glass, of Virginia, then was sent to the White House to deliver the proposal. It left the Democratic compromise with Secretary Tumulty, and took word back to his Democratic colleagues that the President would let them know whether the reservation is acceptable.

When the Senate resumed consideration of the treaty to-day Senator Lodge moved that the original Lodge reservation on Shantung be amended by striking the reference to China and Japan. His motion carried, and the reservation was amended, 92 to 2, to read: "The United States withholds its assent to Articles 156, 157 and 158 (relating to Shantung), and reserves full liberty of action with respect to any controversy which may arise under said articles."

That in advising and consenting to the ratification of said treaty the United States understands that the German rights and interests re-

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# Wilson Cables Adriatic Reply

WASHINGTON, March 4.—President Wilson's rejoinder to the last note of the French and British Premiers on the Adriatic situation was dispatched to Europe to-night. Its contents were not disclosed by the State Department.

**Bond Robbers Still Making Big Hauls Here**

Prosecutor More Concerned Over New Raids Than in Capturing Arnstein; System Called Nation-Wide

Assistant District Attorney John T. Dooling said last night that he had heard nothing new concerning Jules W. Arnstein, and that so far as the District Attorney's office was concerned the present whereabouts of the alleged "master mind" was a matter that was causing little or no worry.

"We are busy working on the bond theft conspiracy and we are leaving the business of finding Arnstein to Deputy Police Commissioner Lahey," said Mr. Dooling. "I haven't heard a word from the fugitive, his lawyers or the detectives who are being working on the case. Meanwhile there are a number of other angles to the \$5,000,000 bond conspiracy which are of more importance right now than this man's arrest. In this case he is only one link in a chain of crime that stretches from New York to San Francisco and from Jacksonville to Montreal."

Mr. Dooling announced that there have been more than 500 bond robberies called to the attention of the District Attorney's office in the last four months. The total stolen range from \$500 to the \$173,000 paid for the release of the \$3,000,000. He exhibited two portfolios four closely typewritten sheets, each one three feet in length, containing a limited list of the securities stolen since the beginning of the year.

The bond robberies are still going on, Mr. Dooling said, and several have occurred in the financial district in the last week. While he would give no names or details, Mr. Dooling declared that these recent robberies involved large sums and were mostly "office jobs."

**System Behind Robberies**

"The system which the men behind the bond robberies organized," said Mr. Dooling, "is a carefully planned, practically every large city in the United States. That is why this office is in touch with thefts committed at many distant points. Bonds stolen in Cleveland, Chicago or even San Francisco are forwarded to this city to be sold or put up as collateral. Securities stolen here are frequently sent to distant points. In that way this network of crime has spread itself all over the United States and even into Canada and Mexico."

Two bond issues were reported in the financial district yesterday. One occurred when a bond merchant, who represented himself as coming from Gude, Winnill & Co., 20 Broad Street, called at a well known brokerage house and offered to sell a large quantity of bonds said to be worth \$4,000. According to the American Surety Company, which is investigating the case, the messenger gave the name of Berger when signing the check for the stock. The fraud was discovered when the messenger from Gude, Winnill & Co. called for the certificates later.

Another bond issue was worked a few hours later on the first of John E. & Co., 60 Wall Street. A messenger who said he came from Salomon Brothers & Hutzler received \$6,000 from the bond merchant and fled with the bonds from the firm where they had been sent in error. The bogus messenger gave no receipt in return for the securities, and the fraud was discovered when the messenger called a few minutes later.

Bernard J. McGinn, manager of the claim department of the American Surety Company, in speaking of the latest bond issue, said that the bond merchant most any kind of fraud, these last robberies show that hidden strings are being pulled through underground channels which would undermine most of the financial district.

**Leaks Still Take Place**

"The fact that fake messengers possess the information that we indicate that leaks are taking place within the Stock Exchange houses and that there must be an organized intelligence service in operation."

No trace was found of Charles J. Dorgan, eighteen-year-old bank messenger of 1475 Bushwick Avenue, Brooklyn, who disappeared on Wednesday afternoon with \$75,000 in checks and \$2,000 in cash being held by the Post National Bank at Wall Street. The boy's family and friends believe he is the victim of foul play. He had previously carried much larger sums in checks and securities and was regarded as absolutely trustworthy by his employers. He had been employed by the bank for two weeks.

Detectives who have been working on the Dorgan case believe that the youth may have been kidnaped by members of the gang of criminals who are known to be operating in the financial district.

The suit of E. W. Wagner & Co. to recover stolen Liberty bonds worth \$25,379, which was originally brought by the suit transferred to the Federal District Court.

The defendants named in the action are Richard Whitney & Co., the Federal Reserve Bank and Jean Murrie, Police Department property clerk. The complainant states that Wagner & Co. purchased the bonds in good faith through their Cleveland branch from Samuel Ginsberg.

Ginsberg has been mentioned as a friend of Arnstein. The authorities here believe that Arnstein was visiting Ginsberg when he was reported to be in Cleveland on February 21.

An order in the Federal Court yesterday modified the injunction granted in the Arnstein bankruptcy proceedings. This order gives Fannie Brie, actress wife of Arnstein, and Louis Cantor, her partner in the dressmaking business, access to the bank accounts which they hold jointly.

# Allies Will Let Germany Float Loan

Supreme Council Said to Have Decided Ruined Country Would Result in Menace to Europe

France Will Not Modify Her Claims

Government Opposed to Any Treaty Revision or Economic Concessions

LONDON, March 4.—"The Evening Standard" states to-day that the Allied Supreme Council has decided to allow Germany to launch an international loan, because it is recognized that Germany ruined would mean a weak and dangerous spot in Europe. The loan, the newspaper says, would take precedence over any indemnity payments Germany is called upon to make.

Special Cable to The Tribune (Copyright, 1920, New York Tribune Inc.)

PARIS, March 4.—At the first reference of the decisions of the London conference, signs of revolt. Her press makes clear that whatever she agreed to do at the recent sessions of the peace conference was done under pressure from Great Britain and Italy.

Italy, in particular, arouses the French resentment on account of her alleged attitude on the question of reparations. "Information" says that inter-Allied affairs have reached a decisive turn and "the most secret thoughts of our allies are now being revealed."

What disturbs France more than anything else is the thought that she may be asked to forego some of her reparations claims while Germany partly regains her economic legs.

Italy, without naming him, of intervening to France's detriment in the reparations discussions at the conference sittings. According to "Le Matin," the French and George sided with France on this issue.

**France Wants Pay First**

Premier Nitti was said as an economist to believe that the recovery of Europe depended upon the economic rehabilitation of all the separate units of the Continent, including Russia and Germany. France, on the other hand, holds that the monetary payments due her under the peace treaty should take precedence over everything else.

The French feeling about the matter continues to decrease, with little prospect of recovery until the Government makes financial ends meet by the imposition of new taxes. All Frenchmen had hoped that the payment of reparations would help to tide over French credit until France recovered somewhat from the effects of the war.

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Certainly, France should participate in the economic reconstruction of Russia and Germany, but on the condition that their rebuilding also prepares our own; that it helps our own and that we have an interest in Germany's affairs; that her resurrection should guarantee our reparations; that the reconstruction of Russia should guarantee repayment of our investment; and that the vanquished should work to repair the ruins of which they were the cause.

It is difficult to estimate the real strength of the French position. Dr. Grayson said today that it was unwilling to assent to wholesale help for Germany without receiving some assurance that Germany would then be able to make payments on the reparations account.

**PARIS, March 4 (By The Associated Press).**—The French government will make determined opposition to any revision of the Treaty of Versailles that would modify her claims on Germany, it was learned to-day.

The attitude of the French government, according to the official point of view, is in perfect accord with the sentiments of the new Chamber of Deputies. It is held that any further concessions by the French government to Germany would not be tolerated by Parliament, and if made the government would be overthrown.

# Turk Stripped of Hold in Europe

LONDON, March 4.—Turkey is stripped of virtually all her territory in Europe, but retains the sacred places, by the treaty now being completed by the conference of foreign ministers and ambassadors, it became known to-day.

Thrace has been awarded to Greece by the peace conference, but the present conference is charged with the task of working out plans whereby the Turks will keep control of the sacred places and Adrianople. Smyrna will be placed under Greek control.

**House Orders Palmer Sugar Price Inquiry**

Campbell, of Kansas, Says in Urging Resolution That He Has in Mind Question of Impeachment

WASHINGTON, March 4.—A hot political row broke out in the House to-day, when the Republicans forced through a resolution authorizing investigation by the Judiciary Committee of the acts of Attorney General Palmer in connection with prices charged for Louisiana sugar. The Democrats bitterly opposed the project, charging repeatedly that it was designed as an indirect impeachment of Mr. Palmer and only intended as a means of checking the "growing popularity" of a Democratic Presidential aspirant.

In reply the Republicans charged that the President and Mr. Palmer were directly responsible for prevailing high sugar prices, that Mr. Palmer had no authority to recognize the high figure at which Louisiana sugar sold and that he had failed to press action against profiteers.

In two hours of debate on the resolution, offered by Representative Tinkham, Republican, Massachusetts, Democratic members asserted it was "covert" attack on Mr. Palmer and was calculated to divert public attention from failures of the "incapable" Republican Government.

When the time limit expired, the resolution was put through, 162 to 124 by a party vote, and the committee will proceed with its inquiry.

**Inquiry Into 18-Cent Sugar**

The resolution directs that the investigation be directed "to the admitted occurrence of the Attorney General in maximum fixed prices" of 17 and 18 cents a pound for Louisiana sugar, the basis on which prices were fixed, and whether immunity from prosecution for profiteering was given any one for charging these prices.

Republicans asserted that the action of the Attorney General in regard to the Louisiana growers caused increased prices for the Cuban crop, but this was denied by the Democrats, who in turn asserted that his action was a "saving to the growers."

"The Louisiana crop was just enough to supply the United States with sugar for one day," commented Representative Martin, Democrat, of Louisiana.

**Question of Impeachment**

Representative Campbell, Republican, of Kansas, in urging the adoption of the resolution declared: "Get the Attorney General before the Judiciary Committee and then let the Judiciary Committee make such report to the House as it sees fit. He explained later that by this proceeding he had in mind the question of impeachment. Representative Martin declared Louisiana growers would have obtained 25 to 27 cents a pound for their Cuban crop. He said the investigation was "unnecessary and unwarranted," and charged that Representative Tinkham was pushing it because he wanted to get the newspaper headlines."

Representative Tinkham replied that passage of his resolution would "serve notice on the Department of Justice that law and order cannot be sunk without notice."

**No Authority to Fix Price**

The Attorney General, he said, had no authority to fix or concur in a price for Louisiana sugar. The investigation, he added, would emphasize that this is a government job and not a private business. He said that the increased cost of living may be judicially determined, and that laws shall be enacted.

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# Burr Makes Threat to Take Subway

I. R. T. Told That Legal Steps Will Be Taken Within 90 Days Unless Service Is Improved

Agreement Broken, Is Claim of City

Stimson Accuses Craig of Unfair Tactics in N. Y. Railways Hearing

Prior to yesterday's traction hearing before the Board of Estimate, Corporation Counsel Burr announced that, unless the Interborough greatly improves its service within the next ninety days, he will take legal steps to seize the subway and have it operated either by the city or by tenants other than the present operators.

He declared he would immediately call upon the Public Service Commission to insist that the terms of the contract be carried out to the letter, and if the company failed to comply within ninety days it would be considered in default of its agreement with the city.

Mr. Burr pointed out that the failure of the company to furnish "adequate, comfortable and rapid service" for a cent fare as required under the contract, was a matter of record at the hearings before the Board of Estimate.

**Craig and Stimson Clash**

The pleasanties exchanged at previous hearings between Comptroller Craig and other members of the Board of Estimate and counsel and witnesses for the Interborough vanished yesterday when the traction investigation reached the point of inquiring into the affairs of the New York Railways Company, which operates more than half the lines of Manhattan, or did prior to their disintegration.

A belligerent attitude prevailed throughout the hearing between Comptroller Craig and Corporation Counsel Burr joining in the sharp verbal exchanges.

Mr. Hylan's failure to arrive from Palm Beach somewhat weakened the attack of the city officials, as he has always in this matter—if not in other matters—supported the Comptroller in opposing the traction representatives. The controversy culminated in charges of unfairness and a "sneering attitude" on the part of the Comptroller, made by Mr. Stimson at the close of the meeting.

**More Figures Wanted**

Comptroller Craig objected to a large part of the evidence submitted in regard to the financial status of the New York Railways as unsatisfactory and incomplete. He said that Corporation Counsel wanted Mr. Stimson to present more actual "figures and facts." The Comptroller remarked that some of the figures were not kind evidence that would give any one anywhere in that kind of an investigation.

It was like waving a red flag in front of the bulls, he said. Mr. Stimson did, that certain calculations were based on the report of Stone & Webster, expert accountants, whom the Interborough paid \$100,000 to determine the value of the company.

Mr. Stimson declared that on the first day of the hearing, when he told the board that he was fortified with appraisals made by Stone & Webster, the Comptroller "sneered" at him and said, "Ah, Mr. Stimson, we want real money."

"I never said anything of the kind," the Comptroller retorted yesterday. "I said we were not interested in appraisals, but in the actual figures. You have a witness here theorizing upon the increase in the cost of labor and materials, and he wants to go on percentages. What is his basis of payroll costs? We will draw our own conclusions from them."

**Will Produce Payrolls**

Mr. Stimson said that he had the payrolls and would produce them. He declared, however, that it would be too much to expect that a company which was losing \$2,500 a day could produce the large extra expense required to employ new accountants to get all the information desired by the Comptroller and the board.

Mr. Burr, however, said that he wanted the service of experts on the company's books the expense would have to be borne by the board.

Mr. Stimson called two witnesses—Frank C. Wood, manager, and Frank Samuelson, auditor, for Receiver Job E. Hedges of the New York Railways. Through them, with many interruptions

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# Pastor Who Quit League To Reveal Its Methods

At Anti-Saloon League Inquiry

Rev. W. H. Freeman, Former 'Dry' Speaker, As-serts Prohibition Used as Cloak to Other Ends

Bill to Legalize 2.75 Beer Offered

Anderson Dares Smith to Debate and Promises to Bare Oath Violation

From a Staff Correspondent

ALBANY, March 5.—Developments in the reaction against prohibition as evidenced here to-day include:

The appearance here, ready to testify in the Assembly's investigation of the Anti-Saloon League, of the Rev. William H. Freeman, pastor of the Presbyterian Church in Carlisle, Schoharie County, who promises to be the star witness in the legislative effort to prove that the league's activities are conducted improperly;

The introduction by Senator Walker of a bill legalizing the manufacture and sale of 2.75 per cent beer, which seems to have every prospect of passage;

The issuance by William H. Anderson, state superintendent of the Anti-Saloon League, of a challenge to debate Governor Smith in five cities of the state on the subject of prohibition.

The Rev. Mr. Freeman withdrew from the Anti-Saloon League as an active worker after attending a two-day conference of officers of the league last December.

**Not Agency of Churches**

He says the league was not, as claimed by William H. Anderson and other officers of the organization, an agency of the churches.

He accuses the league of misleading laity to enroll for the fight, was referring a speaker when addressing a Methodist audience to say his "dear old mother died a Methodist," though the speaker was a Unitarian.

This and other methods which he characterizes as subtle, were used to capture religious audiences by league speakers, who made an "adroit study of human frailty," he said.

Mr. Freeman, who before being ordained practiced law in Manhattan and Yonkers for eight years, said that the strongest evidence he has against the league is documentary.

**Document Made Public**

In a statement the clergyman made public a copy of a document issued by the Anti-Saloon League instructing its field workers on how to make a speech inasmuch as the league's speeches were to be divided into four parts, as follows:

1. Conciliation.
2. Information.
3. Persuasion.
4. Conciliation.

This last, which was devoted to inducing the congregation to contribute to the league's coffers, and getting ready to enroll for the fight, was referred to by Mr. Freeman as "concoction."

In the first part of their speech, which he before the Association, anti-saloon speakers were instructed to convince their Sunday audiences that they were interested in their welfare, and that the work of the league was to "save" the community from the "two days' private" of the liquor traffic as so as to arouse the congregation to a fighting spirit.

The speakers were warned not to paint their pictures "too black," as the reality was too well known. The last portion of the speech was to last not more than ten minutes.

**Wrote to Cuviller**

Mr. Freeman wrote to Assemblyman Cuviller before the investigation calling for a view to prosecuting criminally its officers, had been adopted by the Assembly. The resolution was adopted Monday night. That same day Mr. Freeman wrote a letter to Mr. Cuviller in which he said he possessed many interesting facts concerning the league's methods, and that he would "sift out" the truth and the method of "sourcing money." The letter followed:

"I am very much interested in your proposed investigation by the Assembly Judiciary Committee of the activities and methods of the New York State Anti-Saloon League. For a short time last year I was in the employ of the league. I attended last December a two days' private conference of the league at its main offices in New York City."

"It was a conference of the league's entire staff force. I withdrew from its service before the resolution of the officers of the capital district to which I was allied. I am in possession of many interesting facts, especially with respect to the league's methods of collecting money and with respect to the sources of collections."

"These methods are both adroit and sinister, cleverly and cautiously kept from the churches from which it derives its asserted agency. Its subtle aim is money—money with which to dominate in governmental construction. Its interest in prohibition is but a means to government and private conduct."

**No Fear of Anderson**

"I have often felt that I may say a warning word about this institution, but where to say it and when to say it seemed an insurmountable problem to me. I shall be glad to submit to you in careful detail in writing what I know of the league, with giving you the information I am well aware that it may mean an appearance by me to testify before the Assembly Judiciary

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